

# LOK SABHA DEBATES

## LOK SABHA

Thursday, July 25, 1996/Sravana 3, 1918 (Saka)

(The Lok Sabha met at Eleven of the Clock)

[MR. SPEAKER in the Chair]

### ORAL ANSWERS TO QUESTIONS

[Translation]

#### Exploration of Gold and Stones

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\*221. SHRI DATTA MEGHE :  
SHRI KACHARU BHAI RAUT :

Will the Minister of MINES be pleased to state :

(a) the details of the mines from which gold and other precious stones are being extracted. State-wise;

(b) the value of gold and other precious stones extracted during each of the last three years. State-wise;

(c) whether exploration of gold and other precious stones is being undertaken at other places also; and

(d) if so, the details thereof?

[English]

THE MINISTER OF STEEL AND MINISTER OF MINES (SHRI BIRENDRA PRASAD BAISHYA) : (a) to (d). A statement is laid on the Table of the House.

#### STATEMENT

(a) As per the information available, the details of mines from which gold and precious stones are being extracted in the country are as follows :

State	District	Name of Mines	Owner
1	2	3	4
<b>(a) Gold</b>			
Andhra Pradesh	Anantapur	Yeppamana	BGML
	Chittoor	Chigargunta-I	BGML
	Chittoor	Chigargunta-II	BGML
	Chittoor	Old Bisanatham	BGML
Karnataka	Gulbarga	Mangalur	HGML
	Kolar	Mysore-Champion	BGML
	Kolar	Nundydurg	BGML
	Raichur	Hutti	HGML
	Dharwar	Gadag	BGML
<b>(b) Precious Stones</b>			
<b>Agate*</b>			
Gujarat	Bharuch	Bhimpur Ratanpur	Private

1	2	3	4
<b>Diamond</b>			
Madhya Pradesh	Panna	Majhagawan Hinota Shallow Diamond Itwan phri khara	NMDC Govt /M P -do-
<b>Garnet *</b>			
Rajasthan	Tonk	Deokhera Gaunri	Private -do-
<b>Corrundum</b>			
Andhra Pradesh	Anantpur	Ali Raja Kodganaha Asraffulla Khan C Kudigepeth Thinubalevarahalli	-do- -do- -do-
		Khammam Vikram Gubbagurthi Navaratan Mahboob Singarapalam	-do- -do- -do-
		Karnataka Bellary Kakkuppe M L No 1	Private
		Madhya Pradesh Bastar B Ratnam	-do-
Maharashtra	Bhandara	Pohra	-do-
Orissa	Kalahandi	Jilingdhar Mine	M/s Gem Corpn of Orissa
Rajasthan	Tonk	Juwali	Private

#### Abbreviation

BGML	-	Bharat Gold Mines Ltd
NMDC	-	National Mineral Development Corpn
HGML	-	Hutti Gold Mines Ltd
*	-	Semi Precious Stones

(b) The value of gold and other precious stones extracted State-wise during the last three years is indicated in the enclosed Annexure.

(c), and (d). The Geological Survey of India (GSI), Mineral Exploration Corpn. Ltd. (MECL), Hutti Gold Mines Ltd. and State Directorates of Mining and Geology, of Bihar, Kerala, Madhya Pradesh, Karnataka, Uttar Pradesh, etc., are the agencies which are engaged in carrying out the investigation and exploration of gold in the country. In addition, under the aegis of ongoing Indo-French Working Group on Mineral Exploration and Development, a technical agreement has been signed between BPGM-France and M/s. Kerala Mineral Exploration and Development Corpn (a State Government Undertaking) for taking up exploration and pilot scale mining in Kerala. For precious stones, GSI and the Directorate of Mining and Geology, Madhya Pradesh, Bihar, Rajasthan and Orissa etc., have been actively involved.

## ANNEXURE

## State-wise Production - 1993-94 to 1995-96

(Value in Rs. '000)

State	Unit	1993-94		1994-95		1995-96	
		Qty.	Value	Qty.	Value	Qty.	Value
(1) Gold							
All India	Kg	2075	1091955	2373	1140752	2036	1078064
Primary Gold (Total)	Kg	1638	934149	1893	926426	1661	927763
Andhra Pradesh	Kg	327	303365	251	221117	237	219667
Karnataka	Kg	1311	630784	1642	705309	1424	708096
Secondary Gold (Total)	Kg	437	157806	480	214326	375	150301
Bihar	Kg	437	157806	480	214326	375	150301
(2) Agate							
All India	T	725	374	602	350	515	302
Gujarat	T	725	374	602	350	515	302
(3) Diamond							
All India	Carat	19222	107649	25518	115128	29895	130904
Madhya Pradesh	Carat	19222	107649	25518	115128	29895	130904
(4) Corundum							
All India	Kg	20709	2692	7782	3567	1410	3769
Andhra Pradesh	Kg	3048	89	4690	73	560	52
Karnataka	Kg	-	-	1500	2	-	-
Madhya Pradesh	Kg	551	2568	812	3488	850	3717
Maharashtra	Kg	150	-	380	1	-	-
Orissa	Kg	29	-	109	1598	214	-
Rajasthan	Kg	161	8	480	3	-	-
(5) Garnet (GEM)							
All India	Kg	841	67	378	30	575	48
Rajasthan	Kg	841	67	378	30	575	48

[Translation]

SHRI DATTA MEGHE : Mr. Deputy Speaker, Sir, my question is very important. The hon. Minister has in his answer said that the Geological Survey of India (GSI), the Mineral Exploration Corporation Ltd. (MECL), the Hutti Gold Mines Ltd. and State Directorates of Mining and Geology of Bihar, Kerala, Madhya Pradesh, Karnataka, Uttar Pradesh, etc. are the agencies which are engaged in carrying out the investigation and exploration of gold in the country. In addition, there are other companies which are working in this field and their cooperation is being taken. But the figures given by the hon. Minister in reply to my question in respect of exploration of gold and precious stones for the years 1993-94, 1994-95 and 1995-96 indicate that much progress has not been made in their investigation and

exploration. The statement shows that no appreciable work was done during these years. Whatever be the reasons, may it be financial crunch or any other factor, not much progress has been achieved. As you know, Sir, large deposits of mineral gold and diamonds exist in the country, and I think, if Government pays greater attention to and makes greater investment in this sector, it will benefit the country considerably. There are other places also, besides those mentioned in the Statement, which have very good prospects of mining. I would like to know whether Government propose to make higher allocations and pay more attention to the work of expanding mining of gold and diamonds, because diamond has a big global market? My many people are engaged in this profession in our Mumbai City along. Madhya Pradesh, Maharashtra and Rajasthan have precious stone mines. What are the Government's plans

regarding augmentation of production of these minerals?

[English]

SHRI BIRENDRA PRASAD BAISHYA : Sir, India is not self-sufficient in the production of gold and diamonds. India produces only two tonnes of gold and our demand, roughly, estimated around 470 tonnes. We are getting in from foreign countries. The Government is also concerned about it. We would take appropriate action for further recovery of gold in other parts of the country.

[Translation]

SHRI DATTA MEGHE : May I know the allocations made for this year for mining gold and diamonds? What is the official planning in this regard? It is a very big sector. My second supplementary is : What is the cost of production of gold and diamonds in our country vis-a-vis foreign countries? Whether Government propose to employ latest technology in this sector, in view of the good job done under the agreement we had entered into with Singapur some times back? How much expenditure is proposed to be incurred on this sector under the current budget? The present pace of development is not going to help.

Secondly, most valuable minerals like coal, copper, tongeston which are very costly, are available in abundance in Vidarbha region of Maharashtra from where I come. The Government have invested a lot. Surveys have been completed and lay-out sanctioned. But the work has been lying closed for the last two years. What are the reasons for stopping the work when so much expenditure has been incurred and surveys have been completed? It is an important mine and many people can get jobs there.

[English]

MR. SPEAKER : Please put the question now.

[Translation]

SHRI DATTA MEGHE : I would like the hon. Minister to visit the place himself, to bring his officers also and get the work resumed. A lot of money has been spent on the survey. Copper and tongston is available on large scale. May I know when work on this mine will be resumed?

[English]

SHRI BIRENDRA PRASAD BAISHYA : Sir, the plan allocation for 1995-96 was Rs. 40 crore and for 1996-97, it is Rs. 62 crore.

[Translation]

SHRI DATTA MEGHE : What can be done with this meagre amount? If mining is done regularly, gold worth this amount can be extracted from one mine alone.

[English]

MR. SPEAKER : The Minister is telling you the facts.

SHRI BIRENDRA PRASAD BAISHYA : I have given you the facts only.

Regarding your second supplementary about copper in Maharashtra, the Geological Survey of India has already surveyed it and according to their report, this product is not economically viable.

[Translation]

SHRI DATTA MEGHE : He says it is not viable. It can be made viable. Thousands of Crores of rupees work spent there. Is the hon. Minister prepared to give me time to explain facts to him personally?

[English]

SHRI BIRENDRA PRASAD BAISHYA : Sir, the hon. Member is most welcome to do so.

MR. SPEAKER : He is saying that you are most, you can go and discuss with him.

[Translation]

SHRI KACHARU BHANU RAT : Mr. Speaker, Sir, May I know from the hon. Minister what grade precious stone and gold is found in Rodayal in Bhandara district of Maharashtra and how they are processed? Whether superior grade heavy stone is available in Chandparia or Gardchirauli district of Maharashtra? If so, whether mining operations are proposed to be undertaken after conducting surveys?

[English]

SHRI BIRENDRA PRASAD BAISHYA : Sir, the Geological Survey of India has already made a survey there and according to their report, this is not economically viable.

[Translation]

DR. RAMKRISHNA KUSMARIA : Mr. Speaker, Sir, I come from Panna district where diamond mines are located. The Panna district has a major share in the revenue collected by Government. The allocation made for this mine is too little. The mine produces large number of diamonds. There is large scale smuggling. Last year, a diamond bigger than the Kohinoor was extracted, but the same was smuggled with the connivance of mine management and the State Government and it was replaced by a fake diamond. May I know whether Government will take steps to check this type of smuggling and make proper security arrangements?

[English]

SHRI BIRENDRA PRASAD BAISHYA : Sir, this is a very serious matter and the Government will examine it.

SHRI ISHWAR PRASANNA HAZARIKA : Sir, 60 million carats of rough diamonds are processed by the cutters and polishers numbering 10 lakhs in Gujarat and Maharashtra and only 15,000 carats are produced in India, in the Panna mines of Madhya Pradesh. Since such a large number of workers are dependent on the availability of rough diamonds and polished diamond export is one of the largest items of exports from the country, it is absolutely imperative that serious efforts are made to locate deposits of diamonds in the country. We know that in Heerakund or Boudh river in Orissa there are indications of availability of rough diamonds. Similarly around Golkonda area there are positive indications of availability of diamonds. We have a plethora of organisations like N.M.D.C., M.E.C., Geological Survey of India, Mineral Exploration Corporation etc. but hardly anything is being done to do prospecting for the diamonds.

Secondly, we have precious coloured stones like garnets and rubies in Orissa and Madhya Pradesh and also lapiz-lazuli and sapphire in large quantities in Jammu and Kashmir. No serious effort has been made for organised mining of these stones.

I would like to know from the hon. Minister whether the Ministry has a time-bound programme for exploration, taking advantage of the high technology, the satellite technology that is available today and what is it that it is going to do to ensure organised mining of these stones in Kashmir, Orissa and other areas?

SHRI BIRENDRA PRASAD BAISHYA : Sir, in Kashmir and Orissa and in other areas of the country the Government is interested to adopt the modern technology in the near future.

[Translation]

DR. MURLI MANOHAR JOSHI : Sir this is a very important question and as Shri Hazarika has said, thousands of workers and traders are engaged in this trade. Their future depends on the availability of diamonds and their processing. Our export also depends on it to a large extent. So, may I know from the Government whether the Government of Madhya Pradesh has decided to lease out to a foreign company M/s. Dibears, mining of diamonds in Bastar region of Madhya Pradesh and in its adjoining areas in the neighbourhood of Orissa instead of awarding the job to some company who can carry out the mining with the technology available indigenously, and if so whether it does not amount to selling our assets to a foreign Company?

Secondly, whether Government has drawn any prospecting plan for mining in Himalayan and North Eastern regions because our scriptures indicate presence of hidden jewels in these areas? Whether Government has prepared any such Scheme?

Sir, with specific reference to Madhya Pradesh where large deposits of diamonds are available, I would like to know why the work of mining has been awarded

to a foreign company on lease basis? Why this job is not being get done by Indian Companies to ensure that countries resources remain in the country? Why some planning is not done to extract hidden wealth in the Northern region and Himalayan region, a mention of which is found in our ancient scriptures?

[English]

SHRI BIRENDRA PRASAD BAISHYA : Sir, this is being looked after by Madhya Pradesh Mineral Development Corporation. The facts are not readily available with us. Regarding the exploration in Jammu and Kashmir...(Interruptions)

DR. MURLI MANOHAR JOSHI : I am asking one simple question-whether you know it or not.

[Translation]

Mr. Speaker, Sir, I have asked as to why mining of diamond has been entrusted or is being entrusted to a foreign company on lease basis by Madhya Pradesh Government. This has not been answered. Does the Minister not have information in this regard? If not, whether this is being done without the approval of Central Government?

[English]

SHRI BIRENDRA PRASAD BAISHYA : It is not readily available with us.

DR. MURLI MANOHAR JOSHI : It is not readily available with you!...(Interruptions)

MR. SPEAKER : Mr. Minister, you collect the information and give it to him.

SHRI BIRENDRA PRASAD BAISHYA : Yes Sir, I will collect the information and personally give to the hon. Member.

[Translation]

DR. MURLI MANOHAR JOSHI : Sir the second part of my question - Whether Government has drawn any plan for exploring the hidden treasures in the entire Himalayan region right from Jammu and Kashmir and in the North-East region and if not, whether Government propose to chalk out such a scheme—has not been answered.

[English]

MR. SPEAKER : He has already answered the second part of the question.

(Interruptions)

SHRI BIRENDRA PRASAD BAISHYA : Sir, regarding the second supplementary, in Jammu and Kashmir and the North Eastern region survey has already been done by the Geological Survey of India...(Interruptions)

MR. SPEAKER : Shri Mahato.

SHRI BIR SINGH MAHATO (Purulia) : Mr. Speaker, Sir...(Interruptions)

MR. SPEAKER : I have already given the floor to you and you have raised a supplementary. Why are you standing again?

(Interruptions)

MR. SPEAKER : Why do you disturb the other hon. Shri Mahato is on his legs.

SHRI BIR SINGH MAHATO : It is seen that a large number of people are engaged in collecting diamonds by washing the sand in the Subarnarekha river. 'Subarnarekha' means 'swarna rekha' because gold is found in the river. The Subarnarekha river flows in some parts of Singhbhum district of Bihar and in some parts of Purulia district. I would like to know from the hon. Minister whether the State Directorates of Mining and Geology Departments of West Bengal and Bihar have been asked to carry out the investigations and explorations in the Subarnarekha and Tatko rivers.

SHRI BIRENDRA PRASAD BAISHYA : Sir, the Geological Survey of India has made a survey of the Subarnarekha river this year and according to their report, it is not economically viable.

MR. SPEAKER : Question number 222 Shri Ram Tahal Chaudhary

[Translation]

SHRI CHAMAN LAL GUPTA : Mr Speaker Sir, he has no knowledge of diamonds being found in border areas... (Interruptions)

[English]

MR. SPEAKER : We are discussing wheat, rice and sugar now and not diamonds.

[Translation]

SHRI CHAMAN LAL GUPTA : Who will tell him?

### Supply of Wheat, Rice and Sugar

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\*222 SHRI RAM TAHAL CHOUDHARY  
SHRI SOHANBEER

Will the Minister of FOOD be pleased to state

(a) the quantity of wheat, rice and sugar supplied to each State and Union Territory against their demand during each of the last three years and the current year so far.

(b) whether some of the State Governments have requested the Union Government to increase the quota of above items, and other essential commodities.

(c) if so, the details thereof, and

(d) the steps taken or proposed to be taken to enhance the quota?

THE MINISTER OF FOOD AND MINISTER OF CIVIL SUPPLIES, CONSUMER AFFAIRS AND PUBLIC DISTRIBUTION (SHRI DEVENDRA PRASAD YADAV) : (a) to (d). A statement is laid on the Table of the House.

### STATEMENT

Statement Referred to in Reply to Parts (a), (b), (c) and (d) of Starred Question no. 222 for Answer in Lok Sabha on 25th July, 1996.

#### I. Wheat and Rice

(a) Statements showing demand, allocation and offtake of wheat and rice in respect of States/UTs during the financial years 1993-94, 1994-95, 1995-96 and 1996-97 (April-May, 1996) are given in the enclosed Annexures I to IV.

(b) Yes, Sir.

(c) As in July 1996 additional allocations were being made to 13 States viz. Assam, Bihar, Goa, Himachal Pradesh, Karnataka, Kerala, Madhya Pradesh, Meghalaya, Mizoram, Orissa, Sikkim, Tamil Nadu and West Bengal of 2.03 lakh tonnes of rice and 0.69 lakh tonnes of wheat. In addition, six States have recently requested for additional allotments of wheat and rice as at enclosed Annexure-V.

(d) The demands for increase in allocation of wheat and rice are considered by the Inter-Ministerial Committee on Allocation of PDS Commodities and extra allocations are made by Government whenever required.

#### II. Sugar

(a) to (d) With effect from 1.1.96, the monthly allocation of levy sugar to most of the States/UTs is being made on a uniform norm of 425 grams per capita as per 1991 census. However, allocation of levy sugar at higher rates is being allowed to some of the States/UTs in view of the special circumstances prevailing there. The levy sugar quota to all States/UTs per month works out to about 3.69 lakh tonnes. In addition to above, Government also releases about 1 lakh tonnes per annum as festival quota which is allocated to States/UTs in the months of their choice in proportion to their monthly quota of levy sugar to all States/UTs and yearly Festival Quota being allocated during last three years on the aforesaid basis is given at enclosed Annexure-VI.

#### III. Kerosene

(a) to (d) Kerosene is allocated to the States/UTs on historical basis, i.e. on the basis of the past supplies. Requests are received from State Governments for additional allocation from time to time. However, on account of constraints of product availability, foreign exchange and heavy subsidy involved, it is not possible to meet the full demand of the States. Nevertheless, a three percent increase was given in the allocation of kerosene for the country as a whole during 1993-94, 1994-95, 1995-96 and 1996-97 over the previous years, wherein more additional quantity was allocated to the States/UTs having less per capita consumption and vice versa.